

U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

DEPARTMENTAL NOTICE		Number: 4050-575-001
SUBJECT: Extension of Authority for Recruitment, Relocation and Retention Payments	DATE: September 12, 2006	
	OP: Office of Human Capital Management	
CODIFICATION/EXPIRATION: Will be codified within one year of the date of this Notice.		

1 **PURPOSE**

The purpose of this Notice is to extend to USDA agencies and mission areas the authority to continue to offer Recruitment, Relocation and Retention Payments under the parameters of the existing DM 4050-575, dated May 28, 2003, as long as any offers made using these plans are not inconsistent with the law and interim regulations. See 5 U.S.C. 5753, 5754 and 70 Fed. Reg. 25732 et seq. (May 13, 2005). This Notice extends USDA's Interim Recruitment, Relocation, and Retention Incentive Plan (DN 4050-001, May 27, 2005) for an additional year, pending the issuance of the final Office of Personnel Management (OPM) regulations. The issuance of this Notice constitutes USDA's Interim, Recruitment, Relocation, and Retention Incentive Plan until superseded by issuance of a Departmental Regulation.

2 **BACKGROUND**

The Federal Workforce Flexibility Act of 2004 provides that the Recruitment, Relocation and Retention Incentive authorities therein are effective on the first day of the first pay period beginning on or after the 180th day after enactment (May 1, 2005). OPM's interim regulations were published in the Federal Register on May 13, 2005. Under 5 U.S.C. 5753(f) and 5754(g) OPM must require agencies to establish a plan before paying any bonuses under this section, subject to regulations prescribed by OPM. Accordingly, following the issuance of OPM's interim regulations on May 13, 2005, the USDA was required to establish a Recruitment, Relocation, and Retention Incentive Plan before USDA could pay any incentives. Incentives which were formally offered prior to May 13, 2005, are subject to separate treatment.

3 AUTHORITY

5 U.S.C. 5753 and 5754 and Federal Register, Vol. 70, No. 92, dated Friday, May 13, 2005

4 SPECIAL INSTRUCTIONS

- a Recruitment, Relocation and Retention Incentives may be authorized and paid under the new 5 U.S.C. 5753 and 5743 during the period of time between May 1, 2005, and the effective date of the issuance of USDA's new Recruitment, Relocation and Retention Incentive Plan using this interim notice.
- b In accordance with the new law, Recruitment, Relocation and Retention Incentives may no longer be paid to an employee in:
 - (1) a position to which an individual is appointed by the President, by and with the advice and consent of the Senate;
 - (2) a position in the Senior Executive Service as a noncareer appointee (as defined in 5 U.S.C. 3132(a)(7);
 - (3) a position excepted from the competitive service by reason of its confidential, policy-determining, policy-making, or policy-advocating character; or
 - (4) a position not otherwise covered by the exclusions in paragraphs (1), (2), and (3):
 - (a) to which an individual is appointed by the President without the advice and consent of the Senate;
 - (b) designated as the head of an agency, including an agency headed by a collegial body composed of two or more individual members; or
 - (c) in which the employee is expected to receive an appointment as the head of an agency.
- c Under the interim regulations, recruitment, relocation, and retention incentive service agreements must begin on the first day of a pay period and end on the last day of a pay period.
- d If an individual received a formal offer of a recruitment or relocation bonus or retention allowance before May 1, 2005, the agency may pay that

bonus or allowance on or after May 1, 2005, as long as the terms associated with the offer were consistent with the law and regulations in effect when the offer was made, subject to the following grandfather provisions:

- (1) Recruitment and Relocation bonus service agreements will remain in effect until expiration of the service agreement.
- (2) Retention allowances will remain in effect until reauthorized or terminated, but not later than April 30, 2006. When reauthorizing retention allowances, none of the original conditions specified in the agreement may change or it is to be considered a new retention allowance under the terms of this notice.

- e If an individual received a formal offer of a recruitment, relocation, or retention payment after April 30, but before the issuance of this notice, the agency may deem that offer to have been made on the date of this notice and may make such payments effective on the beginning of the first day of the next pay period, in accordance with the terms of this notice.
- f Recruitment, Relocation and Retention Incentives made using this interim notice may only be granted up to the limitations outlined in the existing DM 4050-575, dated, May 28, 2003, (i.e. up to 25 percent).
- g Agencies must use an employee's special rate or locality rate, as applicable, to compute recruitment, relocation and retention incentives entitlements.
- h An employee must have a rating of record of at least "Fully Successful" to receive a relocation or retention incentive.
- i Agencies must terminate a service agreement if the employee is:
 - (1) Demoted for cause.
 - (2) Receives a rating of record of less than fully successful.
 - (3) Fails to fulfill any other terms in the service agreement.

5 INQUIRIES

Agency employees should direct their questions to their servicing Human Resource Offices. Human Resource Offices with questions may call, Patty Moore, OHCM, at 202-720-8629